



COUNCIL AGENDA: 9-27-05

ITEM: 2.7

## Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** John Stufflebean

**SUBJECT:** SEE BELOW

**DATE:** 9-14-05

Approved

Date

9/15/05

**COUNCIL DISTRICT:** City-wide

**SUBJECT: ADOPTION OF RESOLUTION AUTHORIZING THE DIRECTOR OF  
ESD TO SUBMIT GRANT APPLICATION FOR BAAQMD**

### RECOMMENDATION

Adoption of a resolution authorizing the Director of the Environmental Services Department to submit an application to the Bay Area Air Quality Management District (BAAQMD), Solid Waste Collection Vehicle Incentives, in the amount of \$483,000, to accept the grant on behalf of the City of San José, and to execute all documents necessary to implement the grant.

### BACKGROUND

In June 2005, the Environmental Services Department (ESD) received a request from Norcal Waste Systems of San José to apply for a grant on behalf of Norcal from BAAQMD to fund a solid waste collection vehicle retrofit program. The funds would be used to retrofit an additional 46 collection vehicles, in addition to the 33 vehicles already funded for retrofit; totaling more than 90% of the Norcal fleet currently collecting garbage, recycling, and yard trimmings in San José.

The Cleaire Longview retrofit technology, covered under the grant, replaces the muffler in the exhaust system of diesel vehicles. The Cleaire Longview technology operates on readily available diesel supplies and does not require the use of an alternative fuel source to achieve state mandated emission requirements. This system is verified by the federal Environmental Protection Agency and the California Air Resources Board as reducing particulate matter (PM), also known as soot, by 85% and oxides of nitrogen (NOx), a prime contributor to smog, by 25%. Since both soot and smog have been linked to asthma and other respiratory illnesses, retrofitting these vehicles will benefit the health of all San José residents.

A Council resolution authorizing the application and designating a person to accept the grant funds and execute necessary documents is a requirement of the grant application. A similar grant was submitted during the 2004-05 fiscal year and was approved by Council Resolution No. 72482, dated 1/11/05.

### **ANALYSIS**

Norcal Waste Systems of San José submitted a letter to ESD proposing a retrofit project using 46 collection vehicles in their fleet serving San José residents. As part of the letter, Norcal asked if the City would be willing to sponsor a grant application to BAAQMD. In order to be eligible for the grant, the sponsoring agency must be a public agency in BAAQMD's jurisdiction, such as the City of San José. The City is proposing to sponsor the grant application for this project that would be implemented by Norcal Waste Systems of San José.

The grant funding would be used to cover the purchase and installation costs associated with retrofitting 46 collection vehicles from Norcal's fleet. Under the grant, the City is required to monitor progress and submit copies of retrofit purchase documentation to BAAQMD. The City is also required to submit annual reports to BAAQMD detailing the equipment purchased with grant funds (provided by Norcal) and the status of the Agreement between the City and Norcal for a period not to exceed 5 years.

### **OUTCOME**

Approval of this action will provide the resolution required by BAAQMD to issue a pass through grant to Norcal, allowing Norcal to receive funding for vehicle retrofit. This action is consistent with the City's effort to assist BAAQMD with achieving regional air quality objectives.

### **PUBLIC OUTREACH**

Public Outreach was not necessary for this grant application.

### **COORDINATION**

This memorandum has been coordinated with the City Attorney's Office and the Budget Office.

**COST IMPLICATIONS**

The entire amount of grant funding requested is \$483,000. No matching City funds are required. This is consistent with the Mayor's budget principles of leveraging resources and supporting partnerships.

It is the City's partnership with Norcal that will allow them to receive the funds. Without a local agency partner Norcal would be ineligible for the grant. Furthermore, Norcal will pay the remaining retrofit costs above and beyond the grant amount. Norcal's letter states that Norcal will not seek reimbursement from the City of costs for this project that are in excess of the grant amount. Norcal has provided the following estimates:

Retrofit cost per vehicle	\$	18,750.00
Number of vehicles to be retrofitted		46
<b>Total Estimated Cost</b>	<b>\$</b>	<b>862,500.00</b>
Requested Grant Amount	\$	(483,000.00)
Amount Provided by Norcal	\$	(379,500.00)
<b>Remaining Balance</b>		<b>\$0.00</b>

**BUDGET REFERENCE**

Fund #	Appn. #	Appn. Name	RC#	Total Appn.	Amt. for Contract	2005-2006 Proposed Operating Budget*	Last Budget Action (Date, Ord. No.)
423	0762	Non-Personal/Equipment	500571	\$3,571,555	483,000	VIII-48	

\* The 2005-2006 Adopted Operating Budget was approved by the City Council on June 21, 2005.

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**CEQA**

Negative Declaration (ND), PP92-05-98.

A handwritten signature in black ink, appearing to read "John Stufflebean".

JOHN STUFFLEBEAN

Acting Director, Environmental Services